

## **DEPARTMENT OF DEVELOPMENTAL SERVICES 2002-03 GOVERNOR'S BUDGET HIGHLIGHTS**

### ***EXECUTIVE SUMMARY***

The 2002-03 proposed Governor's Budget for the Department of Developmental Services (Department) ensures that there are sufficient funds to address the needs of persons with developmental disabilities. The proposed budget maintains the entitlement to services for people living in the community and provides sufficient resources in the developmental centers system to maintain quality services and federal certification. Overall funding for the Department is proposed to increase by \$131 million or 4.8 percent over the 2001-02 budget.

For 2002-03, the Community Services Program is proposed to increase by \$140 million or 6.7 percent over the current year. Included within this increase is \$151.7 million due to an additional 9,725 people to be served as well as increased utilization of purchase of services; \$17.2 million for the increased needs of people with autism; \$2 million to fully fund a comprehensive multi-level risk management system; and \$20.5 million in anticipated costs for an improved community placement planning process that better identifies the individual's needs when moving from a developmental center to the community. Lastly, the Community Services Program budget proposes a reduction of \$52 million in purchase of services costs that would be achieved through the implementation of uniform statewide service standards.

For 2002-03, the Developmental Centers Program budget slightly increases by \$46,000. The proposed budget includes an increase of \$13.7 million in General Fund for 2001-02 due to the loss of certification of the secure treatment program at the Porterville facility and the delay in certification of the Canyon Springs facility; a decrease of \$833,000 due to a projected net decrease of 50 people residing in the developmental centers; an \$8 million increase in the current and budget years due to an increase in costs for the janitorial contracts which includes mandated health benefits; an increase of \$3.8 million for the Security Improvement Project construction phase at Lanterman Developmental Center; and lastly, a reduction of \$1.1 million and 22 non-level of care positions.

For 2002-03, the Department's Headquarters budget is proposed to decrease by \$3.3 million or 10.4 percent over the current year budget. The proposed budget includes a reduction of \$1.1 million and 9.8 positions in 2001-02, an additional reduction of \$2.4 million and 33 positions in 2002-03; and, as part of the statewide savings for non-essential purchases and services, a \$1.4 million reduction.

In addition, the proposed budget assumes a delay in the implementation of the California Developmental Disabilities Information System which replaces the regional centers' automated fiscal accounting and program monitoring system.

**DEPARTMENT OF DEVELOPMENTAL SERVICES  
2002-03 GOVERNOR'S BUDGET**

**PROGRAM HIGHLIGHTS**

**Community Services Program**

The proposed Governor's Budget for 2002-03 increases the Community Services Program budget by \$139.9 million (from \$2.1 billion in 2001-02 to \$2.2 billion in 2002-03), a 6.7 percent increase in funding for regional centers. Significant changes proposed for 2001-02 and 2002-03 are as follows:

► **Increase in Federal Reimbursements**

In 2001-02, a net increase of \$13.2 million in federal reimbursement collections and a commensurate decrease in General Fund due to updated Medicaid Waiver and Targeted Case Management expenditure estimates.

► **Caseload Growth**

An increase of \$151.7 million in 2002-03 to fund increased costs at the regional centers due to a projected caseload growth of 9,725 consumers in 2002-03, as well as increased utilization of purchase of services based on consumer needs.

► **Autism Services**

An increase of \$17.2 million in 2002-03 to fund the increased purchase of services costs at the regional centers due the significant increase in the number of consumers diagnosed with autism.

► **Home and Community-Based Services Waiver and Special Incident Reporting**

An increase of \$2 million in 2002-03 to fully fund a coordinated, comprehensive multi-level risk management system to help prevent consumer abuse, exploitation, victimization, neglect, and injury, and to meet federal requirements.

► **Community Placement Plan**

An increase of \$20.5 million in 2002-03 related to an improved community placement planning process that better identifies the individual's needs when moving from the developmental centers to the community.

### ► **Purchase of Services Savings**

A savings of \$52 million in purchase of services funding in 2002-03. This reduction assumes that the individual's entitlement to services and supports remains and the savings would be realized through the implementation of statewide purchase of service standards.

### ► **Community Services Program Federal Medical Assistance Percentages (FMAP) Base Adjustment**

In 2002-03, a reduction of \$5.8 million in federal reimbursements and a commensurate increase in General Fund due to a reduction in the FMAP rate from 51.36 percent to 50.35 percent.

## **Developmental Centers Program**

The proposed Governor's Budget for 2002-03 increases the Developmental Centers Program by \$46,000 (from \$624.7 million to \$624.8 million). The total number of positions proposed for the Developmental Centers Program in 2002-03 is 8,721.1, a net decrease of 12 positions. Significant changes proposed for 2001-02 and 2002-03 are as follows:

### ► **Reduction in Federal Reimbursements**

In 2001-02, a reduction of \$13.7 million in Medi-Cal reimbursements and a commensurate increase in General Fund due to the revised certification date for the Canyon Springs state-operated community facility, the decertification of the Secure Treatment Program (STP) at the Porterville Developmental Center (PDC), and delay in the transfer of residents from the Tulare County Pre-Trial Detention Facility to PDC. The 2002-03 budget assumes full certification of all facilities in the developmental centers system with the exception of the STP at PDC.

### ► **Developmental Center Population Adjustments**

A reduction of \$833,000 in 2002-03 for the projected net decrease of 50 residents in the developmental center system (from 3,686 in 2001-02 to 3,636 in 2002-03).

### ► **Janitorial Health Benefits and Contracts**

An increase of \$8.5 million in 2001-02 and \$8.8 million in 2002-03 to fund janitorial services contracts including mandated health benefit costs.

### ► **Reduction in Non-Level of Care Positions**

A decrease of \$1.1 million and 22 non-level of care positions to reduce non-essential positions in the developmental centers system.

### ► **Agnews Developmental Center Unit Clerk Pilot Project**

A one-year extension of \$.4 million and 11 non-level of care positions to continue the Unit Clerk Pilot Project at Agnews Developmental Center.

► **Lanterman Developmental Center Security Improvement Project**

An increase of \$3.8 million to complete the capital outlay construction phase of the Security Improvement Project at Lanterman Developmental Center.

► **Developmental Centers Program FMAP Base Adjustment**

In 2002-03, a reduction of \$5.4 million in federal reimbursements and a commensurate increase in General Fund due to a reduction in the FMAP rate from 51.36 percent to 50.35 percent.

## **Headquarters**

The proposed Governor's Budget for 2002-03 reduces the Department's Headquarters budget by \$3.3 million (from \$31.5 million to \$28.3 million), or a decrease of 10.4 percent over the current year budget. (This does not include the statewide operating expense and equipment reduction.) The total number of positions proposed for Headquarters in 2002-03 is 391, a decrease of 43.8 positions. Significant changes proposed for 2001-02 and 2002-03 are as follows:

► **Position Reduction**

A reduction of \$1.1 million General Fund and 9.8 positions in 2001-02, and an additional reduction of \$2.1 million General Fund, \$274,000 reimbursements, and 33 positions in 2002-03 to reduce program and administrative positions in Headquarters.

► **Operating Expense and Equipment Reduction (Included in Statewide Reduction)**

A reduction of \$1.4 million General Fund to eliminate funding for non-essential purchases and services.

## **California Developmental Disabilities Information System**

The proposed budget in 2002-03 assumes a delay in the implementation of the California Developmental Disabilities Information System which replaces the regional centers' automated fiscal accounting and program monitoring system.

**DEPARTMENT OF DEVELOPMENTAL SERVICES  
2002-03 GOVERNOR'S BUDGET**

**FUNDING SUMMARY**

*(Dollars in Thousands)*

<b>BUDGET SUMMARY:</b>	<b>2001-02 Estimated</b>	<b>2002-03 Proposed</b>	<b>Difference</b>	<b>Percent Change</b>
COMMUNITY SERVICES	\$2,075,520	\$2,215,477	\$139,957	6.7%
DEVELOPMENTAL CENTERS	624,739	624,785	46	0.0%
HEADQUARTERS SUPPORT	31,526	28,258	-3,268	-10.4%
CADDIS	5,470	0	-5,470	-100.0%
STATE MANDATES	524	496	-28	-5.3%
<b>TOTALS, ALL PROGRAMS</b>	<b>\$2,737,779</b>	<b>\$2,869,016</b>	<b>\$131,237</b>	<b>4.8%</b>
<b>FUND SOURCES:</b>				
General Fund	1,879,699	2,007,363	127,664	6.8%
Reimbursements: Totals All	803,592	808,951	5,359	0.7%
<i>Medicaid Waiver</i>	320,798	320,010	-788	-0.2%
<i>Targeted Case Management</i>	87,925	85,188	-2,737	-3.1%
<i>Medi-Cal</i>	269,292	277,856	8,564	3.2%
<i>Title XX Block Grant</i>	111,000	111,000	0	0.0%
<i>All Other</i>	14,577	14,897	320	2.2%
Federal Trust Fund	47,604	48,153	549	1.2%
Lottery Education Fund	2,497	2,497	0	0.0%
Program Development Fund	2,052	2,052	0	0.0%
Dev. Disabilities Services Account	2,900	0	-2,900	-100.0%
<b>AVERAGE CASELOAD:</b>				
Developmental Centers	3,686	3,636	-50	-1.4%
Regional Centers	172,505	182,230	9,725	5.6%
<b>AUTHORIZED POSITIONS:</b>				
Developmental Centers	8,733.1	8,721.1	-12.0	-0.1%
Headquarters	434.8	391.0	-43.8	-10.1%

**DEPARTMENT OF DEVELOPMENTAL SERVICES  
2002-03 GOVERNOR'S BUDGET**

(Dollars in Thousands)

	2001-02 Estimated	2002-03 Proposed	Difference	Percent Change
<b>Community Services Program</b>				
Regional Centers	\$2,039,003	\$2,177,382	\$138,379	6.8%
Operations	380,688	393,053	12,365	3.2%
Purchase of Services	1,658,315	1,784,329	126,014	7.6%
Early Intervention Program	20,080	20,095	15	0.1%
Habilitation Services	16,437	18,000	1,563	9.5%
<b>Totals, Community Services</b>	<b>\$2,075,520</b>	<b>\$2,215,477</b>	<b>\$139,957</b>	<b>6.7%</b>
General Fund	1,496,844	1,642,425	145,581	9.7%
GF Reappropriation	221	0	-221	-100.0%
PDF	1,800	1,800	0	0.0%
Federal Trust Fund	45,078	45,667	589	1.3%
DDSA	2,900	0	-2,900	-100.0%
Reimbursements	528,677	525,585	-3,092	-0.6%
	0	0	0	
<b>Developmental Centers Program</b>				
Personal Services	\$500,516	\$499,635	-\$881	-0.2%
Operating Expense & Equipment	124,223	125,150	927	0.7%
<b>Total, Developmental Centers</b>	<b>\$624,739</b>	<b>\$624,785</b>	<b>\$46</b>	<b>0.0%</b>
General Fund	349,167	346,346	-2,821	-0.8%
Federal Trust Fund	680	640	-40	-5.9%
Lottery Education Fund	2,497	2,497	0	0.0%
Reimbursements	272,395	275,302	2,907	1.1%
	0	0	0	
<b>Headquarters Support</b>				
Personal Services	\$24,618	\$22,853	-\$1,765	-7.2%
Operating Expense & Equipment	6,908	5,405	-1,503	-21.8%
<b>Total, Headquarters Support</b>	<b>\$31,526</b>	<b>\$28,258</b>	<b>-\$3,268</b>	<b>-10.4%</b>
General Fund	\$27,473	\$18,096	-\$9,377	-34.1%
Federal Trust Fund	1,846	1,846	0	0.0%
PDF	252	252	0	0.0%
Reimbursements	2,520	8,064	5,544	220.0%
<b>CADDIS</b>	<b>5,470</b>	<b>0</b>	<b>-5,470</b>	<b>-100.0%</b>
General Fund	5,470	0	-5,470	-100.0%
			0	
<b>State Mandates</b>	<b>\$524</b>	<b>\$496</b>	<b>-\$28</b>	<b>-5.3%</b>
General Fund	\$524	\$496	-\$28	-5.3%
<b>Totals, All Programs</b>	<b>\$2,737,779</b>	<b>\$2,869,016</b>	<b>\$131,237</b>	<b>4.8%</b>
General Fund	1,879,478	2,007,363	127,885	6.8%
General Fund Reappropriation	221	0	-221	-100.0%
Federal Trust Fund	47,604	48,153	549	1.2%
Lottery Education Fund	2,497	2,497	0	0.0%
PDF	2,052	2,052	0	0.0%
DDSA	2,900	0	-2,900	-100.0%
Reimbursements	803,592	808,951	5,359	0.7%
<b>Caseloads:</b>				
Developmental Centers	3,686	3,636	-50	-1.4%
Regional Centers	172,505	182,230	9,725	5.6%
<b>Authorized Positions:</b>				
Developmental Centers	8,733.1	8,721.1	-12.0	-0.1%
Headquarters	434.8	391.0	-43.8	-10.1%